



**Health Services**  
LOS ANGELES COUNTY

October 3, 2012

**Los Angeles County  
Board of Supervisors**

**Gloria Molina**  
First District

**Mark Ridley-Thomas**  
Second District

**Zev Yaroslavsky**  
Third District

**Don Knabe**  
Fourth District

**Michael D. Antonovich**  
Fifth District

To: Supervisor Zev Yaroslavsky, Chairman  
Supervisor Michael D. Antonovich  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Don Knabe

From: Mitchell H. Katz, M.D.  
Director

Subject: **ADVANCED NOTIFICATION OF SOLE-SOURCE  
AGREEMENT WITH NEGOTIATIONS WITH  
GARTNER, INC.**

**Mitchell H. Katz, M.D.**  
Director

**Hal F. Yee, Jr., M.D., Ph.D.**  
Chief Medical Officer

**Christina R. Ghaly, M.D.**  
Deputy Director, Strategic Planning

This is to advise the Board that in two weeks' time the Department of Health Services (DHS) intends to enter into sole source agreement negotiations with Gartner, Inc (Gartner) for the provision of consulting services related to project oversight and quality assurance to support implementation of the department's Electronic Health Record (EHR) System. Board policy 5.100 requires written notice of a department's intent to enter into sole source negotiations for agreements over \$250,000.

**Background**

By the beginning of 2013, DHS will have begun implementation of a new EHR solution which will ultimately provide complete modern functionality system wide. The successful implementation of this EHR solution within DHS is essential to improving patient care delivery and the quality and efficiency of care required by the American Recovery and Reinvestment Act of 2009 (ARRA), and to avoid penalties for non-compliance with ARRA. Other objectives of the EHR are to support outpatient care restructuring towards health care reform and to improve the DHS position in an increasingly competitive health care environment.

**Justification**

The deployment of the new EHR solution is acknowledged to be a large and highly complex project. In projects of this scale, it is essential that emerging critical problems are recognized before the window for timely remediation has passed. Without specialized oversight, the downstream effects of the problems encountered along the way may be underestimated and addressed symptomatically, resulting in unintended (and generally serious) consequences and perhaps even program failure.

313 N. Figueroa Street, Suite 912  
Los Angeles, CA 90012

Tel: (213) 240-8101  
Fax: (213) 481-0503

[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

*To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.*

**www.dhs.lacounty.gov**



The County has few resources with the experience and knowledge in conducting large scale system implementation and integration projects, and even fewer that have been part of completing successful large scale projects comparable to the EHR implementation in the County environment. DHS is recommending an agreement with Gartner to significantly reduce risk by retaining resources that have experience, insight, and the ability to provide advice and direction as to how to avoid risks and achieve benefits. Gartner will help to increase efficiency and success in EHR implementation by reviewing implementation activities with expertise not possessed by DHS, thereby avoiding project delays and re-work, and avoiding long-term problems by identifying potential issues early.

### **Gartner**

Gartner is the world's leading Information Technology (IT) advisory services firm and has been serving the needs of public sector agencies for over 30 years. The firm has extensive experience in project management and quality assurance services for large-scale system implementation projects. Additionally, Gartner has worked closely with DHS, County Counsel, and outside counsel, Foley and Lardner, LLP, to help lead the development of the department's EHR Strategy, structure the EHR governance process, and support the rigorous and highly structured EHR procurement process. Working under a current Information Technology Support Services Master Agreement (ITSSMA) Work Order, Gartner has been instrumental in supporting the department's planning efforts leading into the procurement and is continuing to provide consulting services during negotiations with the top ranked EHR system proposer. Gartner has worked extensively with DHS staff in the development and oversight of the Statements of Work that will be integral to the EHR's project's success. The resultant EHR agreement will be placed on an agenda for the Board's approval before the end of the year.

The overall objective of the proposed Gartner sole source engagement is to provide specialized expertise to ensure the success of the EHR implementation—i.e., that the system will be developed and delivered on time, within budget and with the full scope of functionality envisioned. Gartner brings a proven approach and fact-based methodology supported by a proven set of tools and templates developed through Gartner intellectual property investment and refined through prior engagements. Gartner's experience with DHS staff along with their understanding of DHS's environment, their depth in the EHR procurement planning and contract development process uniquely situates the firm to support DHS as it embarks on design, build and implementation of the new system. Gartner's in-depth knowledge and dedication to this engagement enables DHS to use its resources more effectively, resulting in fewer overall hours to complete tasks and deliverables and less risk of rework or wasted effort.

Further, the proposed sole source agreement with Gartner will enable DHS to leverage the firm's world class knowledge and experience in healthcare IT and in large project oversight.



### **Scope of Proposed Agreement**

Gartner's approach to project assessments employs the Gartner Program Assessment tool developed specifically for leveraging research, best practices, and industry standards to support quality assurance activities to deliver the following key outcomes:

- Project assessment and oversight services confirm that the EHR system vendor's recommendations are appropriate and meet generally accepted standards.
- Ongoing documentation of the implementation effort using empirical measures for reference.
- Documenting corporate memory — Gartner's independent project assessment and oversight reports are such that if there has been any deviation from the original project plan the event is documented with a full explanation of why and how the decision was made, so that post implementation these reports can be used to recall how the final product evolved.
- Mitigating Risk — Gartner's independent and objective reviews based on leading technology research uniquely positions Gartner to counsel DHS on mitigating very complicated risk before such risk materializes or adversely affects a project's status.

### **Closing**

DHS will proceed with the sole source negotiations with Gartner within two weeks from the date of this memo unless the department is instructed otherwise by your Board.

If you have any questions, please let me know.

MHK:kh

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors  
Chief Information Office